

**LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
MINUTES OF THE BOARD MEETING
HOUSTON, TEXAS**

July 24, 2009

A meeting of the Board of Directors (the "Board") of the Land Assemblage Redevelopment Authority ("LARA" or the "Authority"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to the Texas Transportation Code Annotated, Section 431.101, et seq., and the Texas Local Government Code Annotated, Section 394.001 et seq., was held in the Houston City Hall Annex Council Chambers, Public Level, 900 Bagby Street, Houston, Harris County, Texas, on Friday, July 24, 2009. Written notice of the meeting, which included the date, hour, place and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

| | |
|---------------------------|-------------------|
| David Collins, Chairman | Richard Leal |
| Reginald Adams, President | Teresa Morales |
| Curtis Lampley | Michael Harris |
| Pastor Steve Hall | Pastor John Bowie |
| Jeremy Ratcliff | |

Board Members absent were James Harrison, Antoinette Jackson, and Stephan Fairfield.

Others in attendance included: Steve Tinnermon, Executive Director of the Authority; Agatha Collins of the Neighborhoods and Housing Division of the Mayor's Office; Graciela Saenz, Greg Erwin, and Nancy Nguyen of Winstead PC, the Authority's General Counsel; Chris Butler, Special Assistant to the Mayor of Houston for property construction; Leah Stoler of Linebarger, and Norma Garcia of the Neighborhoods and Housing Division of the Mayor's Office.

I. Call to Order and Roll Call

Mr. David Collins, Chairman, called the Board meeting to order at 2:02 p.m. and noted for the record that a quorum of the Board was present.

II. Approval of Minutes from the May 22, 2009

Mr. Collins called for any question or comments on the minutes, hearing none Mr. Collins called for approval of the minutes. A motion to approve the minutes was made by Mr. Ratcliff, seconded by Mr. Adams and unanimously approved.

III. Treasurer's Report

1. LARA Financial Report for May and June, 2009 presented by Treasurer:

Ms. Terry Morales, Treasurer, reported the following:

- Under the Assets Category of the Financials the Cash and cash equivalents amounted to \$816,649;
- Grants receivables - \$193,158
- Accounts payable - \$122,417
- Balance on the HHFC Line of Credit of \$1,788,950 will be reduced before next month..
- Total liabilities and Fund Balance - \$10,971,294
- Total revenues - \$2,804,234 which includes the gain on disposition of lots of \$10,200
- Total Expenditures/Expenses - \$1,204,493
- Excess of revenues over expenditures - \$1,599,741

No questions regarding the financials were made.

Other Updates:

Mr. Collins called for questions there being none. A motion to approve the treasurers report was made by Pastor Hall, seconded by Mr. Adams and unanimously approved

Audit Report:

Ms. Morales reported a recommendation would be made for Mir, Fox, Rodriguez to conduct the audit report.

IV. Auction Update by Linebarger, Goggan, Blair and Sampson, LLP

Ms. Leah Stoler reported. LARA acquired 15 properties and there are 15 properties up for sale in August. Total number lots acquired is 1084. Discussion followed regarding the number of lots still left in the pilot program (18 lots) and a request for an update on the pilot project from Mr. Butler was made by Mr. Adams. Mr. Butler to provide the update.

V. Committee Reports

a). Executive Committee Report

Mr. Reginald Adams reported that the Executive Committee had met..The following were presented to the board as recommendations for approval and action:

- Ratification Acknowledgment of award of a LARA Lot Acquisition Contract to Cerritos Custom Homes for the construction of new affordable housing under the \$1 Lot Program in the Trinity Gardens and Sunnyside

- - Ratification and Acknowledgment of award of a LARA lot Acquisition Contract to Shine Property Development for the construction of new affordable housing under the \$1 Lot Program in Trinity Gardens.
- - Ratification and Acknowledgment of award of a LARA lot Acquisition Contract to KTD Custom Homes for the construction of new affordable housing under the \$1 Lot Program in Trinity Gardens.
- - We tabled an item related to the Ratification and Acknowledgment of award of a LARA lot Acquisition Contract to TAHC, LLC for the construction of new affordable housing under the \$1 Lot Program in Sunnyside.
- - Ratification and Acknowledgment of award of a LARA lot Acquisition Contract to Catholic Charities for the construction of new affordable housing in Independence Heights.
- Ratification and Acknowledgment of award of a LARA lot Acquisition Contract to Habitat for Humanity for the construction of new affordable housing in Settegast.
- Authorization of Mir, Fox Rodriguez, P.C. to conduct the annual audit review for LARA at a price not to exceed \$14,000
- Amending the Request for Proposal for Community Development Corporations for Affordable Housing Marketing Services.
- Right of First Refusal for Eligible Adjacent Property Owners policy in the "Purchase of te Adjacent LARA Property"
- First Amendment to the Land Credit and Exchange Interlocal Agreement between the City of Houston and the North Forest Independent School District
- To Extend a Bookeeping Agreement between LARA and Karlins and Ramey LLC on a month to month basis until we transition to a new firm.
- Tabled item related to the Amendment of a License Agreement for Urban Gardening on a LARA lot located at 0 Navigation (Lot 12 & 34 thru 38 Block 31, Magnolia Park Sec 2) replacing approved LARA lot located at 0 Navigation (Lots 20, 21, 22, 25, 26 & 27 Block 62, Magnolia Park Sec 2) to the following parties:
 - Texan Together Education Fund Esteban Tovar and Miguel De Luna
- Authorization to purchase LARA marketing materials not to exceed \$5,000.
- Other Items for discussion included a possible mayorial candidate interview and the opportunity for LARA to host an Affordable Housing Bus Tour and discussion about a LARA Annual Retreat.

b. Builder Selection Committee

Mr. Ratcliff reported that The Builder Selection Committee reviewed and approved two builders to the program – Cerritos Custom Homes and Shine Property Development. They both met the criteria for the program .

c. LARA/Houston Hope Construction Update

Mr. Bulter reported that the earlier question about those 1084 properties that LARA owns, only 800 of those are clear. Although LARA has approved 351 lots to builders, there are currently 44 homes under construction only two homes that are complete and ready to close, and 92 homes have closed.

Mr. Collins called for questions. There being none Mr. Collins continued with the action items.

1) Ratification and acknowledgement of award of a LARA lot acquisition contract to Cerritos Custom Homes for the construction of new affordable housing under the \$1 Lot Program in Trinity Gardens and Sunnyside.

A motion to acknowledge and approve the award of a LARA Lot Acquisition Contract under the \$1 Lot Program to Cerritos Custom Homes was made by Mr. Adams, seconded by Pastor Hall and unanimously approved.

2) Ratification and acknowledgment of award of a LARA Lot Acquisition Contract to Shine Property Development for the construction of new affordable housing under \$1 Lot Program in Trinity Gardens.

A motion to acknowledge and approve the award of a LARA Lot Acquisition Contract under the \$1 Lot Program to Shine Property Development was made by Mr. Harris, seconded by Mr. Adams and unanimously approved.

3) Ratification and acknowledgment of award of a LARA Lot Acquisition Contract to KTD Custom Homes for the construction of new affordable housing in Trinity Gardens.

A motion to acknowledge and approve the award of a LARA Lot Acquisition Contract to KTD Custom Homes was made by Mr. Harris, seconded by Mr. Adams and unanimously approved.

Modifications Noted by Mr. Butler

4) Ratification and acknowledgment of award of a LARA Lot Acquisition Contract to TAHC, LLC for the construction of new affordable housing under \$1 Lot Program in Sunnyside.

Item Tabled.

5) Ratification and acknowledgment of award of a LARA Lot Acquisition Contract to Catholic Charities for the construction of new affordable housing in Independence Heights.

A motion to acknowledge and approve the award of a LARA Lot Acquisition Contract to Catholic Charities was made by Mr. Hall, seconded by Mr. Leal and unanimously approved.

6) Ratification and acknowledgment of award of a LARA Lot Acquisition Contract to Habitat for Humanity for the construction of new affordable housing in Settegast.

A motion to acknowledge and approve the award of a LARA Lot Acquisition Contract to Habitat for Humanity was made by Mr. Lampley, seconded by Mr. Ratcliff and unanimously approved.

Mr. Collins: With Habitat for Humanity how many homes have they taken down over all?

Mr. Butler: The original request was for 34 lots and they have completed all but 2.

VI. Consideration and possible authorization of Mir, Fox Rodriguez P.C. to conduct an annual audit review for LARA at a price not to exceed \$14,000.

Mr. Collins called for a motion to authorize Mir Fox Rodriguez P.C. to conduct the annual audit review for LARA at a price not to exceed \$14,000. Motion by Pastor Hall and seconded by Pastor Bowie and unanimously approved.

VII. Consideration and possible action amending the Request for Proposal for Community Development Corporations for Affordable Housing Marketing Services.

Mr. Collins called for a motion to amend the Request for Proposal for Community Development Corporations for Affordable Housing Marketing Services. Motion by Mr. Harris and seconded by Pastor Hall and unanimously approved.

Mr. Tinnermon explained that they will request community development corporations and encouraging particularly those that have been working with LARA to assist with marketing the overall Houston Hope Program. They will be disseminating information about the program to neighborhood residents; speaking with stake holders particularly employment centers about the new housing opportunities and the like.

Discussion followed and question about credit counseling made. Mr. Tinnermon stated that there are agencies that provide those services as residents require such service they will refer them to credit counseling agencies.

VIII. Consideration and possible action amending the Right of First Refusal for Eligible Adjacent Property Owners policy in the "Purchase of the Adjacent LARA Property".

Mr. Collins called for a motion to amend the Right of First Refusal for Eligible Adjacent Property Owners policy in the "Purchase of the Adjacent LARA Property". Motion by Mr. Harris and seconded by Mr. Adams and unanimously approved.

IX. Consideration and possible action approving a First Amendment to the Land Credit and Exchange Interlocal Agreement between the City of Houston and the North Forest Independent School District.

Mr. Collins called for a motion to amend the Land Credit and Exchange Interlocal Agreement between the City of Houston and the North Forest Independent School District. Motion by Mr. Harris and seconded by Pastor Hall and unanimously approved.

X. Consideration and possible action to extend a Bookkeeping Agreement between LARA and Karlins and Ramey LLC.

Mr. Collins called for a motion to extend the Bookkeeping Agreement between LARA and Karlins and Ramey LLC. Discussion followed and explanation made as to why there was a month to month contract.

Motion by Mr. Adams and seconded by Pastor Hall and unanimously approved.

XI. Consideration and possible action Amending a License Agreement for Urban Gardening on a LARA lot located at 0 Navigation (Lot 12 & 34 thru 38 Block 31, Magnolia Park Sec 2) replacing approved LARA lot located at 0 Navigation (Lots 20, 21, 22, 25, 26 & 27 Block 62, Magnolia Park Sec 2).

Item Tabled.

XII. Discussion and possible action authorizing the purchase of LARA marketing materials, not to exceed \$5,000.

Mr. Collins called for a motion to authorize the purchase of LARA marketing materials, not to exceed \$5,000. Motion by Mr. Adams and seconded by Mr. Leal and unanimously approved.

XIII. Executive Session

Mr. Collins stated that there were no matters requiring an executive session.

XIV. Reconvene in Open Session

Not Applicable.

XV. Chairman's Comments

None.

XVI. Board Member Comments:

None

XVII. Public Comments

Texan Together Education Fund – Presentation made by Mr. Esteban Tovar to explain their request to exchange the prior lot designation for another one for the garden project due to several concerns brought forth by the surrounding community. No questions were asked. Mr. Tinnermon to look into request.

Next speaker was a Mr. Johnny Gant of JRSG, Shine Property Development who wanted to make sure that all their lots are in Trinity Gardens not in the 5th Ward? He requested to know if there were 5th Ward lots still available under the \$1 lot program? Mr. Tinnermon to follow up.

XVIII. Adjournment

Upon motion by Mr. Lampley, seconded by Mr. Harris the meeting was adjourned at 2:27 p.m.

Minutes prepared by:
Graciela Saenz and Nancy Nguyen
Winstead PC

Signed on the _____ day of _____, 2009.

Reginald Adams, President